

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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September 16, 2003

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FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: **DEPARTMENT OF CHILDREN AND FAMILY SERVICES –
INDEPENDENT LIVING PROGRAM: EXPENDITURE AND PAYMENT
PROCESSING REVIEW**

At the request of the Chief Administrative Office (CAO) and the Department of Children and Family Services (DCFS), we have completed our review of the Independent Living Program (ILP or Program) expenditures and payment processes.

BACKGROUND

DCFS' Independent Living Program (ILP or Program) is a federally mandated program designed to prepare and assist current and former foster care youth in the transition from foster care to living independently. The Program's annual budget approximates \$18 million. Through this program, DCFS and Probation provide a range of services for foster youth ranging from age 14 through 21, including employment opportunities, transitional housing programs, and experiential workshops.

SCOPE/OBJECTIVES

The CAO requested that we review the Program's fourth quarter FY 2000-01 expenditures and the appropriateness of the policies and procedures and internal controls regarding the approval and disbursement of program funds. The CAO requested this review simultaneously with its establishment of an ILP Interim Management Team, which the Board of Supervisors charged with overseeing the ILP.

At DCFS' request, we also assessed the Department's procedures for requesting and issuing payments to eligible youth through both the ILP Revolving Fund and the on-line Countywide Accounting and Purchasing System (CAPS). We also reviewed DCFS' and the CAO's efforts in implementing the 14 recommendations contained in the Economy

and Efficiency Commission's (EEC) February 2002 report on DCFS' Emancipation Services.

REVIEW SUMMARY

Overall, we found the ILP is a complex program and that DCFS did not maintain sufficient administrative controls over the use of program funds. For example, the fourth quarter FY 2000-01 expenditures were not based on a formal assessment of youth need and some gift certificates purchased to distribute program benefits went unspent for a considerable time. Additionally, the ILP's policy and procedures did not adequately define the eligibility and distribution guidelines for ILP benefits, which resulted in a broad interpretation by staff and unequal treatment of youth with the same or similar circumstances. DCFS management should require that ILP purchases are based on identified need, ensure that purchased items are distributed as soon as possible, and adopt clear eligibility criteria for distributing program benefits.

DCFS also needs to enhance its internal controls over the Program's gift certificates. For example, staff did not maintain adequate inventory records accounting for the receipt and distribution of the gift certificates. We also noted that DCFS' processes for requesting payments for ILP expenditures (e.g., tuition, books, housing security deposits) is inefficient and averaged 40 business days for the "non-rush" transactions we reviewed. Also, DCFS does not have a senior program management position responsible for establishing and monitoring compliance with program policies and procedures.

The following are examples of our most significant findings.

Program Expenditures

In the fourth quarter FY 2000-01, ILP management developed a "spend down" plan to ensure that approximately \$4.2 million would be spent by fiscal year end and would not have to be returned to the State. However, the fourth quarter expenditures were not based on a formal assessment of youth need and some gift certificates purchased went unspent for considerable time. For example, in June 2001, ILP purchased \$500,000 in Office Depot gift certificates for school supplies. As of August 2002, the Department had not distributed any of the gift certificates, an indication that the gift certificates were purchased more to ensure funds were spent, rather than to meet expected youth need. DCFS management should require that purchases are based on identified need and that purchased items are distributed as soon as possible.

Eligibility for Program Benefits

DCFS did not adequately define the eligibility and distribution guidelines for ILP benefits, nor clearly establish maximum benefit amounts. This resulted in a broad interpretation of eligibility by staff and potentially unequal treatment of youth with the same or similar circumstances. For example, there were no eligibility criteria for laptop

computers provided which resulted in some staff believing enrollment in a two or four year college or vocational school was required to receive a laptop, while other staff believed graduation from high school was sufficient. DCFS should adopt eligibility criteria and maximum amounts for all ILP benefits.

Internal Controls Over Gift Certificates

In FY 2000-01, the Department purchased approximately \$1.1 million in gift certificates for distribution to youth (e.g., Office Depot, J.C. Penney, Target, etc.) The certificates represented approximately 9% of direct program expenditures. We identified a number of significant internal control weaknesses regarding these negotiable instruments. For example, staff did not maintain adequate inventory records to account for the receipt and distribution of the certificates. Some staff also kept the instruments in desk drawers.

We met with ILP and Finance management to discuss these findings. Management agreed to temporarily discontinue the use of the gift certificates and developed a training class on internal controls for ILP staff. In the training, the Department's Internal Controls Section reviewed procedures requiring both ILP and Procurement staff to sign for receipt and release of gift certificates, for ILP staff to count the gift certificates by serial number and quantity when receiving them, for ILP staff to utilize a standard distribution log when distributing the gift certificate to youth, and for ILP staff to perform monthly reconciliations, to be approved by a supervisor, of the gift certificates on hand to purchasing records. DCFS management should monitor implementation of the recommended enhanced internal control procedures.

Payment Process

ILP youth are eligible for a number of program benefits including tuition reimbursement and housing security deposits. ILP processes between 300 and 900 payments per month, the great majority of which are processed through CAPS, the County's central accounting system. The processing time averaged between 27 and 40 business days for a request processed through CAPS on a "rush" and "non-rush" basis, respectively. The primary reason for the delays is poor staff productivity. For example, ILP clerical staff stated that they generally process between three and ten requests per day. However, we sat with staff for a day and reviewed their work processes. Based on this, we determined that a reasonable average processing time is 15 minutes per request, allowing time for lunch and breaks. Staff should be processing 24 requests per day. DCFS management needs to establish minimum daily production targets for ILP clerical staff, monitor staff for compliance and take corrective action if staff vary significantly from the target.

Expenditure Documentation

ILP staff sends a "Notice Regarding Receipts" to each youth advising the youth that he or she is responsible for submitting receipts accounting for the use of funds advanced

for the approved need. The Notice sent to the youth does not clearly define 1) the time period in which the youth is required to submit receipts (e.g., within 30 days of receipt of funds, etc.); 2) the types of acceptable documentation (e.g., original itemized cash receipts, etc.); and 3) the consequences if the youth does not provide adequate documentation within the required timeframe. Further, ILP staff stated that, if the youth does submit receipts, ILP staff simply place the receipts in the youth's file. Staff do not review the receipts for appropriateness, nor is there any procedure in place to follow-up with youth who do not submit receipts. To ensure youth spend program funds in accordance with the approved need, ILP management should develop a detailed policy regarding the acceptable types of receipts and collection and review of supporting documentation.

Economy and Efficiency Commission Report

In February 2002, the EEC released a report on DCFS' Emancipation Services/Independent Living Program. The report contained 14 recommendations regarding program management and service delivery, technology and housing. The report also recommended that the Auditor-Controller evaluate DCFS' implementation of the recommendations.

In the fall 2001, the Board created an Interim Management Team, under the direction of the Chief Administrative Officer (CAO), to oversee activities related to improving the administration of Emancipation Services and the ILP. Since the establishment of the Design Team, the CAO has prepared quarterly status reports for your Board on the recommendations in both the EEC report and Dr. Sharon Watson's report, *Recommendations Regarding Los Angeles County's Emancipation and Independent Living Programs*. We reviewed the status reports, conducted interviews with members of the Team and reviewed the ILP website. The Team has implemented the seven recommendations regarding service delivery, department coordination and information technology enhancements, and has either implemented or is in the process of implementing the seven recommendations related to housing.

REVIEW OF REPORT

We thank DCFS and CAO management and staff for their cooperation and assistance during our review. We reviewed our report with DCFS management and they generally agreed with our findings and recommendations. The Department stated that it has taken a number of actions to correct the issues identified in this report. For example, simultaneous with the creation of the Interim Management Team, the Department began to better monitor the Program's budget to ensure funds were spent to achieve program objectives and benefits purchased are based on anticipated youth need. Further, the Department has established an objective of distributing benefits to youth in the year the benefits are procured. The Department also worked collaboratively with Auditor-Controller staff in the last several months to establish appropriate expenditure documentation guidelines. Finally, the Department stated that it plans to fill an Assistant

Division Chief position in the coming months, which will be responsible for program administration and internal control oversight.

In accordance with Board policy, the Department is required to forward a detailed response to the audit to the Board within 60 days.

If you have any questions, please contact me or have your staff contact DeWitt Roberts at (626) 293-1101.

JTM:DR:JK

Attachments

c: Chief Administrative Office

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Department of Children and Family Services

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Audit Committee (6)

Commission for Children and Families

Public Information Officer

Los Angeles County
Department of Children and Family Services

**Independent Living Program:
Expenditure and Payment Processing Review**
September 2003

Prepared by:
Department of Auditor-Controller

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**Department of Children and Family Services
Independent Living Program
Expenditure and Payment Processing Review**

BACKGROUND

The Department of Children and Family Services' (DCFS) Independent Living Program (ILP or Program) is a federally mandated program designed to prepare and assist current and former foster care youth in the transition from foster care to living independently. The Program's annual budget approximates \$18 million. Through this program, DCFS and Probation provide a range of services for foster youth ranging from age 14 through 21, including employment opportunities, transitional housing programs, and experiential workshops.

SCOPE/OBJECTIVES

The Chief Administrative Office (CAO) requested that we review the Program's fourth quarter FY 2000-01 expenditures and the appropriateness of the policies and procedures and internal controls regarding the approval and disbursement of program funds. The CAO requested this review simultaneously with its establishment of an ILP Interim Management Team, which the Board of Supervisors charged with overseeing the ILP.

At DCFS' request, we also assessed the Department's procedures for requesting and issuing payments to eligible youth through both the ILP Revolving Fund and the on-line Countywide Accounting and Purchasing System (CAPS). We also reviewed DCFS' and the CAO's efforts in implementing the 14 recommendations contained in the Economy and Efficiency Commission's (EEC) February 2002 report on DCFS' Emancipation Services.

METHODOLOGY

We interviewed ILP coordinators and managers, clerical staff and staff from the Department's Finance Division. We reviewed financial records, internal controls and performed inventory counts of gift certificates. Additionally, we observed the work processes and calculated the actual timeframes for a selected sample of requests from the point of initiation to issuance of payment.

COMMENTS AND RECOMMENDATIONS

Program Administrative and Control

We found the ILP is a complex program and DCFS did not maintain sufficient administrative controls over the use of program funds. For example, fourth quarter FY 2000-01 expenditures were not based on a formal assessment of youth need and some gift certificates purchased to distribute program benefits went unspent for considerable time. Additionally, the ILP's policy and procedures did not adequately define the

eligibility and distribution guidelines for ILP benefits which resulted in a broad interpretation by staff and unequal treatment of youth with the same or similar circumstances. DCFS also needs to enhance its internal controls over the Program's gift certificates. We also noted that DCFS' processes for requesting payments for ILP expenditures (e.g., tuition, books, housing security deposits) is extremely inefficient and averaged 40 business days for the "non-rush" transactions we reviewed. The primary reason for this is low productivity by ILP staff. We also noted that DCFS does not have a senior program management position responsible for establishing and monitoring compliance with policies and procedures. Such a position could prevent similar problems from reoccurring.

Recommendation

- 1. DCFS management consider establishing a senior program management level staff position responsible for program administration and internal control.**

Program Expenditures

In the fourth quarter FY 2000-01, ILP management developed a "spend down" plan to fully utilize that FY's budgeted funds. This plan included a re-allocation of funds among various expenditure line items to ensure that approximately \$4.2 million would be spent by fiscal year end and would not have to be returned to the State. However, the fourth quarter expenditures were not always based on a formal assessment of youth need and some gift certificates purchased went unspent for some time. For example:

- In June 2001, ILP purchased \$500,000 in Office Depot gift certificates for school supplies. However, ILP did not base this amount on any formal projection or analysis of estimated need. As of August 2002, the Department had not distributed any of the gift certificates, an indication that the gift certificates were purchased more to ensure funds were spent, rather than to meet expected youth need.
- In June 2001, ILP purchased 200 microwaves valued at \$15,120 for youth in housing. Again, ILP did not base this amount on any formal projection or analysis of estimated need. A year later, the Department had distributed two-thirds of the microwaves.
- The program purchased 1,000 laptop computers valued at \$2.4 million in June 2001. This purchase was not based on a formal projection of estimated need. In June 2001, the program also purchased gift certificates that it later used to buy 800 printers. It took until July 2002 for ILP to distribute approximately 80% of the printers and all of the computers.

We also identified other instances in which items were not distributed timely to youth. For example, in December 2001 the Department's Adolescent and Special Services

Section spent \$1,000 in Wal-Mart gift certificates on 200 cameras for distribution to youth, based on estimated attendance at a youth event. However, as of May 2002, they had only distributed approximately 100 cameras. Additionally, in December 2001, the Alumni Resource Center (ARC) spent approximately \$16,000 in JC Penney gift certificates on approximately 600 items of clothing for its 2001 holiday party. At April 2002, 128 (21%) items of clothing remained in inventory.

DCFS management should require purchases to be based on projected need. In addition, DCFS management should ensure that purchased items are distributed as soon as possible.

Recommendations

DCFS management:

- 2. Require that ILP purchases are based on projected need.**
- 3. Ensure that purchased items are distributed as soon as possible.**

Eligibility for Program Benefits

Policies and Procedures

We reviewed DCFS' ILP policies and procedures and found that they did not adequately define the eligibility and distribution guidelines for ILP benefits. This resulted in a broad interpretation of eligibility by staff and unequal treatment of youth with the same or similar circumstances. For example:

- DCFS did not adopt eligibility criteria for the laptop computers. However, staff with whom we spoke stated that their "practice" required that a youth be enrolled in a two or four year college or vocational school in order to receive a laptop. We reviewed the eligibility of 20 youth who received laptop computers. ILP staff could not provide supporting documentation for two (10%) of the 20 youth. In addition, we found one (5%) youth who should have been ineligible because he had only graduated from high school and had not enrolled in a college or vocational school. The ILP coordinator for this youth stated he believed that graduation from high school made the youth eligible to receive a laptop.
- In order to be eligible for tuition assistance, procedures required that youth show proof of enrollment in a two or four year college or vocational school and a financial aid award letter. We reviewed the eligibility of 20 youth who received tuition assistance payments totaling \$73,469. ILP coordinators could not provide documentation to support eligibility in five (25%) of these 20 cases. Payments on these five cases totaled \$6,743. Further, we found that the P&P did not establish a maximum amount of tuition assistance, simply a "guideline" of \$2,000. We reviewed another 20 cases that received multiple tuition reimbursements in the

same fiscal year and found that 15 cases (75%) received payments that in total exceeded the “guideline.” The maximum amount paid to one youth was \$9,763.

DCFS management should adopt eligibility criteria and maximum amounts for all ILP benefits and require that staff maintain appropriate supporting documentation for all benefits issued.

Rather than distributing gift certificates directly to youth, some staff were using the gift certificates to purchase items they believed the youth needed. While this practice is not specifically prohibited, it should be. When ILP staff spends gift certificates to purchase items, they are circumventing the County’s procurement policies. For example, as previously mentioned, staff spent \$1,000 in Wal-Mart gift certificates on 200 cameras for distribution to youth. However, these cameras should have been procured through the Department’s standard procurement procedures. DCFS should revise its ILP procedures to prohibit staff from using gift certificates to purchase items for ILP youth.

Recommendations

DCFS management:

- 4. Ensure that the ILP’s policies and procedures contain eligibility criteria and maximum amounts for all ILP benefits.**
- 5. Require staff to maintain supporting documentation for benefits distributed to youth.**
- 6. Revise the ILP’s policies and procedures to prohibit staff from using gift certificates to purchase items for ILP youth.**

Procurement

We reviewed 11 purchases consisting of gift certificates, calling cards, microwaves and educational materials to determine if the Department procured the items according to County procedures. The 11 purchases totaled approximately \$1.4 million. DCFS Finance paid the invoices for seven (64%) of the eleven purchases without a receiving document or other satisfactory evidence that the items were received. For three (27%) purchases that did have a receiving document, none was signed by non-procurement staff to confirm the items were actually received.

DCFS management should ensure that non-procurement staff who receive items to sign a receiving document verifying that the proper amount is received. In addition, Finance management should ensure that all invoices have the proper supporting documentation before payments are processed.

Recommendations

DCFS management:

- 7. Require non-procurement staff who receive items to sign a receiving document verifying they received the proper amount.**
- 8. Require Finance to pay invoices only if they have the proper supporting documentation.**

Gift Certificates

In FY 2000-01, the Department purchased approximately \$1.1 million in gift certificates for distribution to youth. This total, which is inclusive of a purchase of \$500,000 in Office Depot gift certificates as part of the fourth quarter “spend down” of funds discussed previously, represented approximately 9% of direct program expenditures.

We reviewed the internal controls over these gift certificates.

Internal Controls

At 20 DCFS locations, we interviewed staff responsible for the safekeeping and distribution of gift certificates regarding their internal controls and attempted to review staff's inventory counts and reconciliations. We identified significant internal control weaknesses. For example, staff did not maintain adequate inventory records to account for the receipt and distribution of the certificates. Some staff also kept the instruments in desk drawers. Good internal controls over inventory are essential because of the significant risk of misappropriation and theft.

We met with ILP and Finance management to discuss these findings. Management agreed to temporarily discontinue the use of the gift certificates and developed a training class on internal controls for ILP staff. In the training, the Department's Internal Controls Section reviewed procedures requiring both ILP and Procurement staff to sign for receipt and release of gift certificates, for ILP staff to count the gift certificates by serial number and quantity when receiving them, for ILP staff to utilize a standard distribution log when distributing the gift certificate to youth which would keep a running balance of gift certificates in inventory, and for ILP staff to perform monthly reconciliations, to be approved by a supervisor, of the gift certificates on hand to purchasing records.

After the training, we performed a follow-up review and found the three ILP coordinators we interviewed were not following the procedures reviewed at the training. For example, staff were still not reconciling their gift certificates on hand to purchasing records.

We attempted to reconcile \$455,000 in gift certificates on hand at the Procurement office and various field locations to purchasing records. However, we were unable to reconcile approximately \$150,000 (33%) of these due to poor recordkeeping. Accordingly, we do not know if shortages or overages exist. Shortages may result from misappropriation or theft.

ILP management should appoint an administrator to oversee the implementation of the enhanced internal control processes that the Internal Controls Section developed. After the controls are implemented, the Internal Control Section should perform another review to determine compliance.

Recommendations

DCFS management:

- 9. Require ILP management to appoint an administrator to oversee the implementation of the enhanced internal control processes that the Internal Controls Section developed.**
- 10. Require the Internal Controls Section perform another review to determine compliance.**

Payment Process

ILP youth are eligible for a number of program benefits including tuition reimbursement and housing security deposits. If an ILP coordinator determines the youth is eligible for the benefit, the coordinator forwards a request for payment, with supporting documentation, to a program manager for approval. Generally, if a youth needs payment within 10 business days, ILP administrative staff will issue a check from the ILP Revolving Fund. If payment is not needed within 10 days, staff will process the request through the Countywide Accounting and Purchasing System's (CAPS) on-line vendor payment system. ILP processes between 300 and 900 payments per month, the great majority of which are processed through CAPS. The number of requests per month varies depending on the time of year. For example, requests are usually more voluminous in August/September, at the start of school.

The CAO Interim Management Team and ILP management requested a review of the payment process because ILP coordinators and youth were complaining that it was taking sometimes several months to receive a check.

In order to evaluate the time required to process a payment through both the ILP Revolving Fund and CAPS, we requested six ILP coordinators (including two from Probation) to attach a tracking sheet to each request they initiated from mid November 2002 to mid December 2002. We then asked each person involved with processing the payment request to describe his or her role in processing the request on the tracking sheet and the length of time necessary to complete his or her tasks.

Based on the completed tracking sheets, interviews with staff and observation of their work processes, we found the processing time averaged five business days for a request processed through the Revolving Fund and between 27 and 40 business days for a request processed through CAPS on a “rush” and “non-rush” basis, respectively. (Attachment I flowcharts the current payment processes through the Revolving Fund and CAPS.) We noted that once the payment request is input, CAPS produces a warrant in two days.

Delays in Processing

We identified several reasons for the lengthy processing times through CAPS.

- **Low Productivity**

ILP clerical staff stated that they generally process between three and ten requests per day. This appeared unreasonably low to us. We sat with staff for a day and reviewed their work processes. We determined that a reasonable average processing time is 15 minutes per request. Using 15 minutes as a standard, each staff should process 24 requests a day (allowing time for lunch and breaks.) We determined that two full-time staff could process the average monthly requests of 560, as opposed to the seven clerical staff who are currently responsible for this.

We met with DCFS and CAO staff to review our analysis with them and they concurred the standards we developed were reasonable. DCFS management needs to establish minimum daily production targets for ILP clerical staff and Finance staff involved in the ILP payment process, monitor staff for compliance, and take corrective action if staff vary significantly from the target.

- **Data entry errors**

Data entry errors by ILP staff are contributing to the delays. Currently, ILP clerks enter request information into CAPS, print the related CAPS screen and attach a transmittal slip to Finance to the original request and supporting documentation. Finance staff then reviews the clerk’s data entry, corrects errors if found, reprints CAPS information as needed, and forwards to other Finance staff for approvals. We reviewed a sample of 50 requests and calculated an ILP staff data entry error rate of 8%. These errors resulted in additional follow-up and/or processing time for Finance staff.

ILP supervisory staff do not track errors for each staff person and take corrective action. ILP supervisory staff should track errors for staff and take corrective action for staff with large error rates.

- **Return of warrant to ILP staff**

ILP requests that warrants be returned to ILP headquarters, where staff open the warrant envelope, copy the warrant and then log the warrant information on a tracking spreadsheet before mailing the warrants to the youth. Staff then mails the warrant to the youth along with a request to submit receipts confirming funds were properly spent. It can take up to eight business days from the warrant issue date for ILP clerical staff to mail a warrant to a youth.

The return of the warrant to the same staff that input the warrant into CAPS is a serious internal control weakness and is prohibited by County Fiscal Manual (CFM) 4.4.9. It is also an inefficient and time-consuming process. As further discussed in the following Expenditure Documentation section, at the time the ILP request is initiated, the ILP coordinator should provide the youth with a letter outlining the youth's responsibilities related to the submission of supporting receipts. The need to return the warrant to ILP staff would then be eliminated. The Auditor-Controller could mail the warrant directly to the youth or payee. Staff can obtain all the information it currently records into its tracking spreadsheet directly from CAPS. Accordingly, the Department should determine if this tracking spreadsheet is necessary.

- **Use of County Mail**

Finally, it took on average several days for requests to reach DCFS' Finance Division from the ILP Administrative Unit in West Los Angeles. However, effective mid December 2002, the ILP Administrative Unit moved to offices in the mid-Wilshire area of Los Angeles, and the Finance staff who process ILP payments re-located to the same site. Accordingly, the delays related to the use of County mail should now be minimized or eliminated.

Recommendations

DCFS management:

- 11. Establish minimum daily production targets for ILP clerical staff and Finance staff involved in the ILP payment process, monitor staff for compliance and take corrective action if staff vary significantly from the target.**
- 12. Require ILP and Finance supervisory staff to track staff errors and take corrective action for staff with large error rates.**
- 13. Require ILP Coordinator to provide the youth, at the time the youth initiates the payment request, with a letter outlining the youth's responsibilities related to the submission of supporting receipts.**

- 14. Require ILP Coordinators to instruct the Auditor-Controller to mail the warrant directly to the payee.**
- 15. Determine if the tracking spreadsheet which ILP staff maintains is necessary.**

With management's focus on establishing minimum daily production targets for ILP clerical and Finance staff involved in the process, reducing data entry errors, and issuing the checks directly to the payee, management can better establish standards for each component of the payment process. For example, the Department could establish an overall standard that it will process requests within two weeks after the request is initiated. Under these processing cycle standards, an ILP Coordinator and youth would know that all approved payment requests that ILP headquarters receives by the end of Thursday in any week would be processed by the end of business Friday in the following week. (See Attachment II.)

Recommendation

- 16. DCFS management establish a standard processing cycle for ILP payment requests.**

Expenditure Documentation

As previously discussed, ILP staff currently sends a "Notice Regarding Receipts" to each youth with his or her check. This Notice advises the youth that he or she is responsible for submitting receipts accounting for the use of funds advanced for the approved need. We noted that the Notice sent to the youth does not clearly define 1) the time period in which the youth is required to submit receipts (e.g., within 30 days of receipt of funds); 2) the types of acceptable documentation (e.g., original itemized cash receipts); and 3) the consequences if the youth does not provide adequate documentation within the required timeframe. Further, ILP staff stated that, if the youth does submit receipts, ILP staff simply place the receipts in the youth's file. Staff do not review the receipts for appropriateness, nor is there any procedure in place to follow-up with youth who do not submit receipts.

We met with ILP management and provided them with information regarding acceptable types of supporting documentation, timeframes in which to collect it, and procedures for pursuit of documentation should the youth fail to provide it. To ensure youth spend program funds in accordance with the approved need, ILP management should develop a detailed policy regarding the acceptable types, collection, and review of supporting documentation.

Recommendation

- 17. DCFS management develop a detailed policy regarding the acceptable types and collection and review of supporting documentation.**

Internal Controls Over the ILP Revolving Fund

We reviewed the Department's internal controls over its ILP revolving fund and noted several weaknesses. We advised ILP management of these internal control weaknesses and requested they prepare a corrective action plan. We subsequently met with management and confirmed they took the necessary corrective actions.

- **Bank reconciliations, which were being prepared by ILP staff, had been prepared incorrectly.** We completed bank reconciliations for the period July to December 2002 and accounted for all funds. CFM Section 4.4.9 requires that the accounting officer receive bank statements and perform timely reconciliations. DCFS management should require Finance Division staff to receive and complete the monthly bank reconciliations for the ILP revolving fund.
- **An ILP clerk both prepares the checks for issuance and receives them back from signers to mail.** CFM Section 4.4.9 requires that checks be mailed by the authorized signer(s) and not returned to the employee who prepares the checks. DCFS management should require that the signer (or a designee other than the person who prepares the check) mail the checks.
- **One check signer and the staff who reconciles the account both have access to the ILP blank check stock.** CFM Section 4.4.9 requires that individuals responsible for signing checks and/or reconciling the account be independent of the fund custodianship. DCFS management should ensure access to blank check stock be restricted to individuals with no conflicting duties.
- **An Intermediate Clerk and a Secretary II signed all checks issued to clear the backlog of the ILP funds requests and other checks issued between July and December 2002.** Although two program supervisors are also authorized signers for this account, the Intermediate Clerk and Secretary II signed the checks with no additional management level signature. CFM Section 4.4.2 states that checks issued for \$101 through \$1,000 be signed by two signers, one of which is a management level position. DCFS management should require that at least one signer of checks greater than \$100 be a management level position.

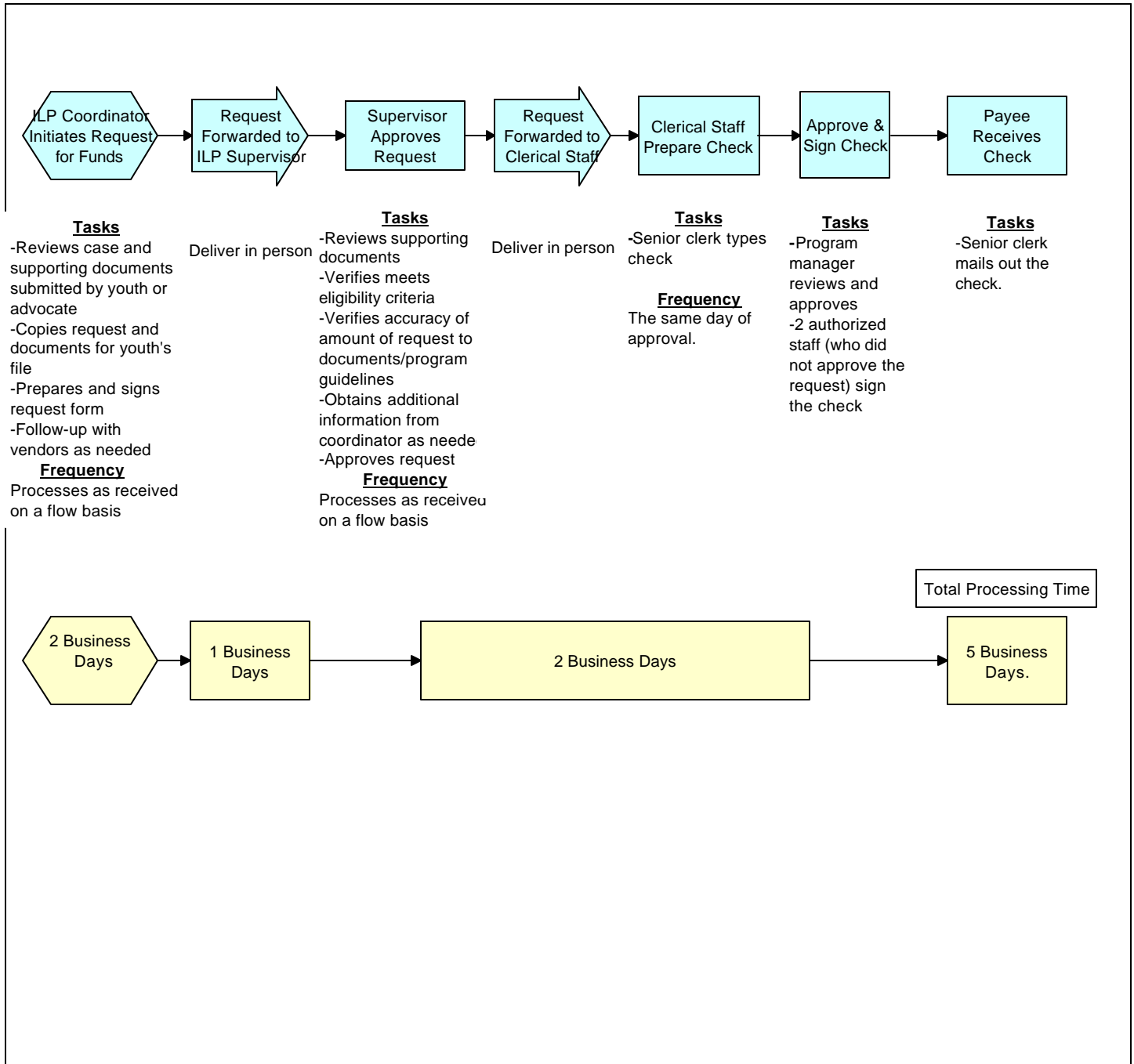
Economy and Efficiency Commission Report

In February 2002, the EEC released a report on DCFS' Emancipation Services/Independent Living Program. The report contained 14 recommendations regarding program management and service delivery, technology and housing. The report also recommended that the Auditor-Controller evaluate DCFS' implementation of the recommendations.

Prior to the finalization of the EEC's report, the Board created Interim Management Team, under the direction of the Chief Administrative Officer (CAO), to oversee activities related to improving the administration of Emancipation Services and the ILP. The Team formed in the fall 2001 and is comprised of various County department representatives and program experts. The Team's objectives were to implement a series of program and service enhancements, develop administrative and management oversight, refine policies and procedures, and create an effective ILP operating structure within DCFS, Probation, and other County departments, as needed. It is important to note that the Team Leader authored the Housing section of the EEC's report.

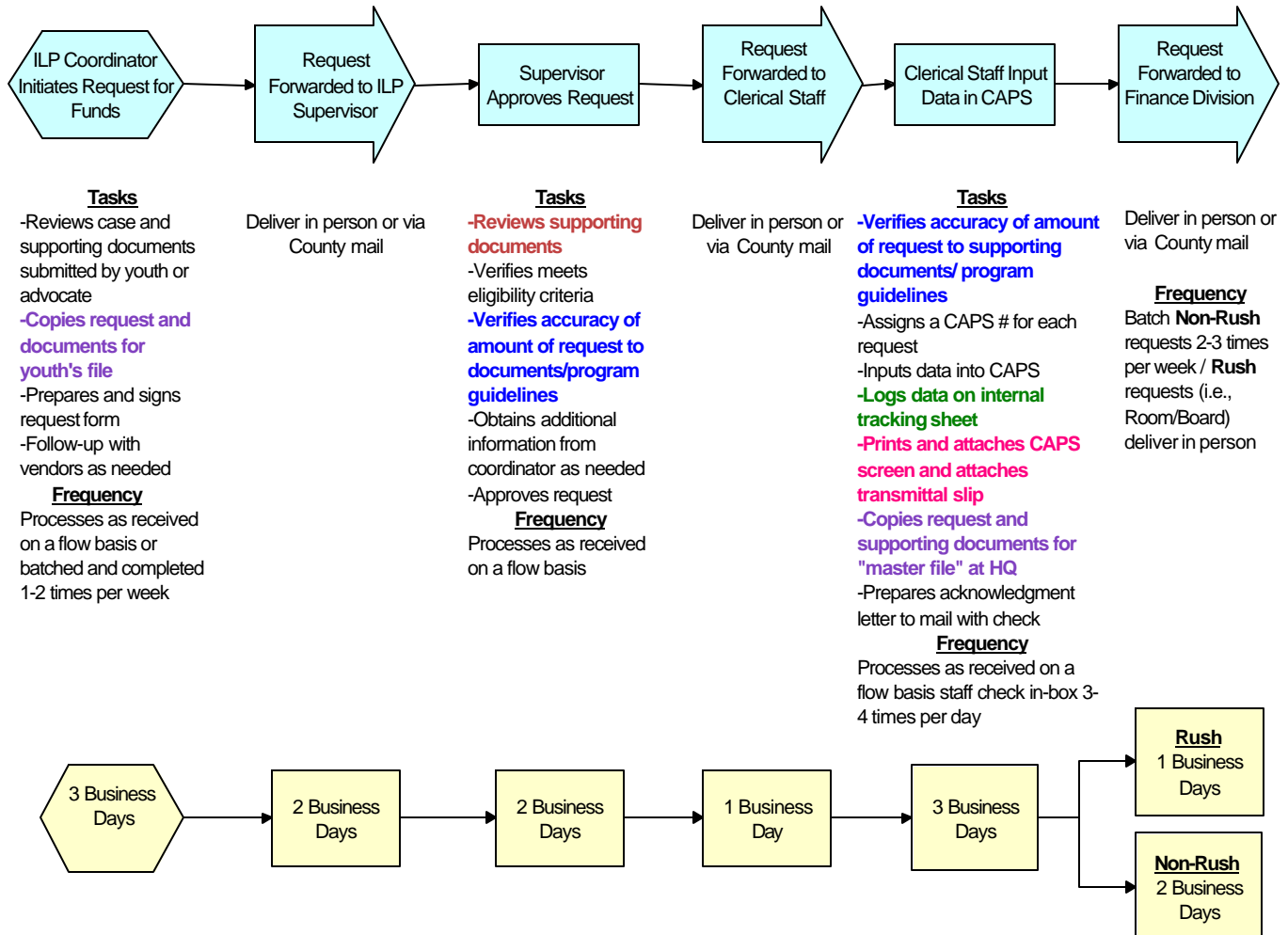
Since the establishment of the Team, the CAO has prepared quarterly status reports for your Board on the recommendations in both the EEC report and Dr. Sharon Watson's report, *Recommendations Regarding Los Angeles County's Emancipation and Independent Living Programs*. We reviewed the status reports, conducted interviews with members of the Team and reviewed the ILP website. The Team has implemented the seven recommendations regarding service delivery, department coordination and information technology enhancements, and has either implemented or is in the process of implementing the seven recommendations related to housing. The status reports that already have been provided to the Board accurately describe the progress that has been made in program re-design and administration, technology, housing, and the coordination of the efforts of various County departments involved in emancipation services for youth. The Team's final report, dated July 2003, is attached.

**Department of Children and Family Services
Independent Living Program
Request For Payment Process – Revolving Fund**

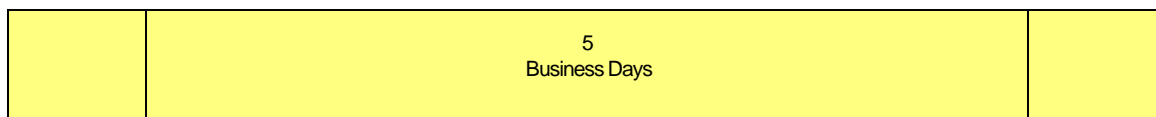
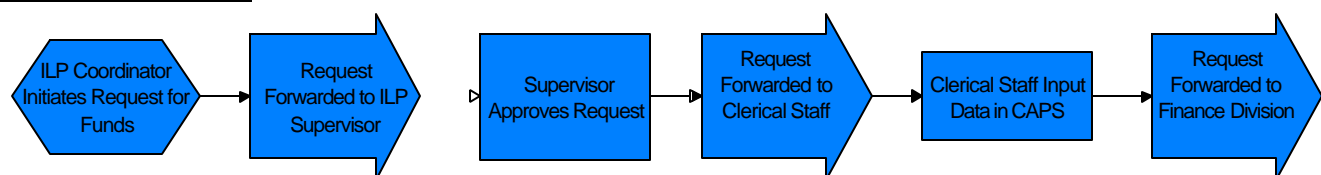


**Department of Children and Family Services
Independent Living Program
Request For Payment Process – CAPS On-Line System**

Current Flow Process - Pre-CAPS Processing



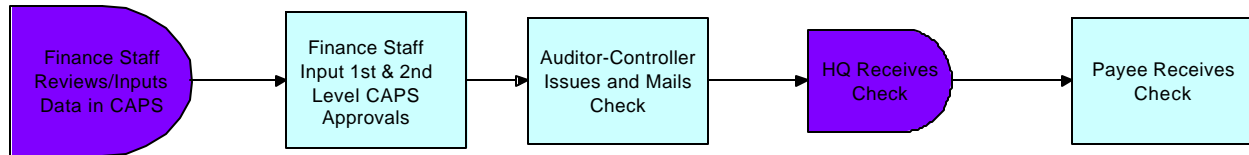
Target Cycle Process



Independent Living Program Request For Payment Process – CAPS On-Line System

Attachment I

Current Flow Process - CAPS Processing

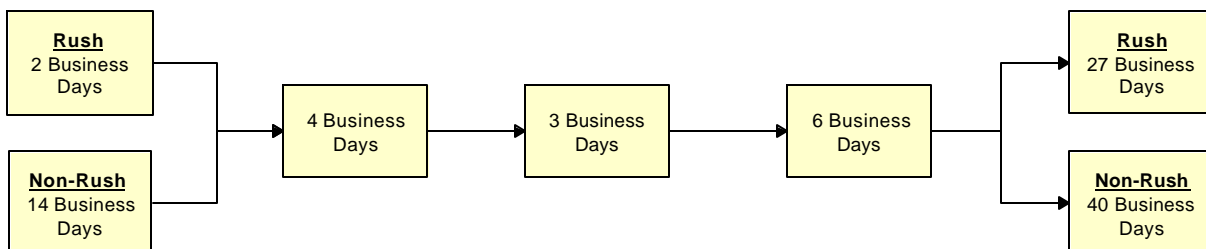


Tasks
 -Verifies supervisor's approval
 -Verifies accuracy of amount of request to supporting documents/program guidelines
 -Logs data on internal tracking sheet
 -Reviews and corrects data entered in CAPS
 -Reprints and attaches CAPS screen as needed
 -Monthly reconciliation of requests to CAPS
 -Prepares a report of expenditure by category

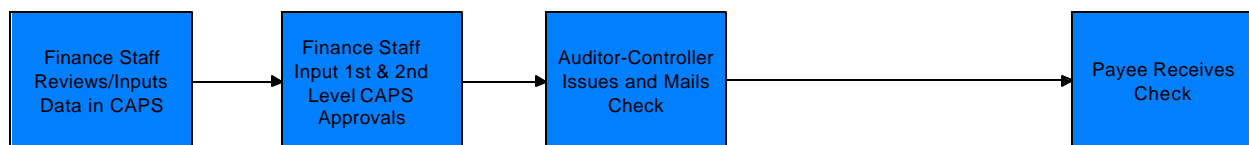
Frequency
 Processes Rush requests as received on a flow basis Non-rush after all rush requests processed and between monthly reporting

Tasks
 -Reviews supporting documents
 -Inputs approval code in CAPS
Frequency
 Processes as received on a flow basis

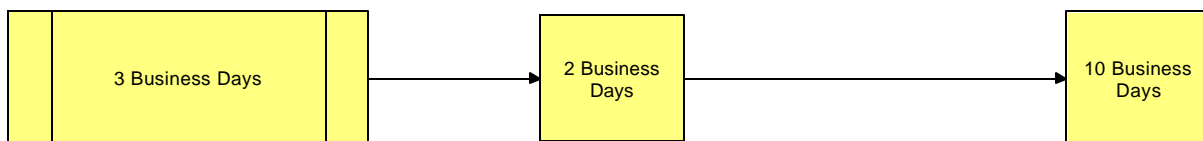
Tasks
 -Clerical staff open, log, and photocopy check
 -Mail check to payee with acknowledgment letter and notice to submit receipts
Frequency
 Batch and mail 2-3 times per week.



Target Cycle Process



Total Processing Time



**Department of Children and Family Services
Independent Living Program
Suggested Processing Cycle Standards**

| | |
|---|--|
| <u>Week 1</u> <ul style="list-style-type: none">Monday to Friday | <u>ILP Processing</u> <ul style="list-style-type: none">ILP clerical staff data enter all requests received through the end of business Thursday by Friday noon.Submit all supporting documentation to Finance by end of business Friday. |
| <u>Week 2</u> <ul style="list-style-type: none">Monday to WednesdayThursday to Friday | <u>Finance</u> <ul style="list-style-type: none">Confirms data entry in CAPSAuthorizes payment in CAPS <u>Auditor-Controller</u> <ul style="list-style-type: none">Processes CAPS payment requests and issues check by end of business Friday. |




County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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(213) 974-1101
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DAVID E. JANSSEN
Chief Administrative Officer

July 17, 2003

To: Supervisor Yvonne Brathwaite Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich
From: 
David E. Janssen
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District
YVONNE BRATHWAITE BURKE
Second District
ZEV YAROSLAVSKY
Third District
DON KNABE
Fourth District
MICHAEL D. ANTONOVICH
Fifth District

EMANCIPATION SERVICES/INDEPENDENT LIVING PROGRAM FINAL REPORT

On July 17, 2001, your Board instructed my office to oversee a number of activities related to improving the administration of the Emancipation Services/Independent Living Program (ES/ILP). We provided an initial report on our progress on September 26, 2001, and quarterly reports thereafter through January 21, 2003. This is to provide you with the Final Report on the Emancipation Program.

The Final Report (Attachment) summarizes the work done over the past eighteen months by the Emancipation Services Design Team, and its partners, to more adequately prepare over 20,000 emancipating foster youth for successful adulthood.

The Program now has a vision that has been embraced by all key stakeholders, "*A unified and comprehensive program that adequately prepares 14 to 21 year old youth – who are in or have been in foster care under the County's dependency or probation systems—for successful adulthood.*" Continuous, coordinated and proactive planning has become the norm. Services provided to youth are now delivered more quickly and in more helpful ways. Strong public/private partnerships have been restored and new ones formed. Dozens of policy and program changes have been made and a new commitment to these youth has been realized.

The report provides an overview of how things were, what the proposed solutions were, what has been accomplished and what the next steps are. There is still work to be done, but the program and mechanisms that are needed to successfully administer the program are in place.

Each Supervisor
July 17, 2003
Page 2

The efforts of the Design Team and its many community partners resulted in a re-designed Emancipation Program that ties together services and supports in more meaningful and efficient ways. Most importantly, thousands more youth are now being assisted in their transition to adulthood.

Please let me know if you have any questions or need additional information, or your staff may contact Kathy House at (213) 974-1323.

DEJ:DL
KH:kd

Attachment

c: County Counsel
Chief Probation Officer
Director, Children and Family Services
Director, Community and Senior Services
Director, Consumer Affairs
Director, Health Services
Director, Mental Health
Director, Public Social Services
Commission for Children and Families
Executive Director, Community Development Commission

ATTACHMENT

EMANCIPATION PROGRAM FINAL REPORT

I. HOW THINGS WERE in July, 2001:

On July 17, 2001, in response to concerns raised by the Commission for Children and Families that the Department of Children and Family Services' (DCFS) Emancipation Services (ES) and Independent Living Programs (ILP) were not appropriately meeting the needs of emancipating youth, the Board of Supervisors held an intense, two-hour discussion on the current state of these programs.

Following testimony from a host of speakers from public and private agencies as well as youth and community advocates, the Board requested that the Chief Administrative Office (CAO) conduct, within 45 days, an assessment of the ES/ILP programs, along with a set of recommendations for how they might be improved.

On July 30, 2001, Sharon G. Watson, Ph.D. was asked by the CAO to perform this assessment and to develop the requested set of recommendations. After viewing a tape of the July 17th Board discussion, listening to tapes of Emancipation Oversight Committee meetings, interviewing 37 stakeholders (including County Department Heads and staff, Commissioners, youth, service providers, community partners, and advocates), reviewing several program audits and evaluations, and examining key program reports and documents, Dr. Watson submitted her report to the CAO on August 28, 2001.

The key findings were:

- Disagreement among stakeholders about the vision for the ES and ILP programs—whether it should be a unified, comprehensive program to prepare all transition age youth for successful adulthood or a set of specific services for youth who want and need some assistance with emancipation
- Differences of opinion about the scope of these programs, including the number of eligible youth who should be targeted by ES/ILP services as well as the sources and amounts of available funding
- Absence of strong, consistent departmental and program leadership, resulting in a perceived lack of County commitment to these youth
- Lack of authentic, continuous joint planning efforts among the program's many public and private partners and funding agents throughout the years
- Lack of pro-active, sufficiently advanced planning that led to late budget submissions, last minute "rushes" to spend program funds, inefficient and ineffective expenditures, and the inequitable and questionable distribution of some program resources without appropriate regard for need
- Not a well understood program and not unified, across departments and sectors

- Not enough training of case-carrying workers regarding the program
- Caseloads that are too high to properly meet program requirements
- Assessments for hundreds of 14 and 15 year old youth, conducted by a contractor, that have not been properly integrated into basic case planning and line operations
- Low compliance with development of mandated Transitional Independent Living Plans (TILPs)
- Not enough outreach to those eligible for services, both youth and their caregivers, about what is available and how to access the services and funds
- Inadequate involvement and engagement of youth in their own case planning
- Burdensome bureaucratic requirements for obtaining housing assistance for youth
- Not enough housing inventory and choices to meet the needs of the full array of youth who require it
- Critical delays in approving housing expansion efforts, which have resulted in lost opportunities for securing additional youth housing
- Inadequate, inconsistent and cumbersome system for processing youth requests for funds, unclear and transitory eligibility criteria for specific items and significant delays in issuing cash assistance
- “Cherry picking” high achievers for the ILP program, thus benefiting most those who are already best prepared to succeed
- Lack of essential program planning and management data (who is received what services and what have been the results), negating the ability to do meaningful program evaluation
- Contracts with outside vendors that were not properly developed or monitored, either for compliance or for results
- Inadequate technological equipment and support for ILP staff

As Los Angeles County’s ES/ILP program had once been considered to be a “crown jewel”—one of the most innovative, creative, and important County initiatives ever developed--and a model for interdepartmental and multi-sector partnership, the discouragement and disillusionment about the program expressed in the summer of 2001 was heard loud and clear.

II. RECOMMENDATIONS:

The August 2001 Report recommended that, first and foremost:

1. A shared program vision be developed across all County departments and sectors
2. Committed and stable leadership be secured
3. Continuous, coordinated and pro-active planning become the norm
4. An enhanced program development and service delivery infrastructure be established
5. And that major changes occur in three areas:

Program and Services to Youth:

- Establish a countywide network of Alumni/Transition Resource Centers
- Re-affirm that ES/ILP case planning and service acquisition for pre-emancipated youth are the responsibility of line workers and eliminate the current referral process to ILP Coordinators for emancipation services
- Assign ILP Coordinators to the Alumni/Transition Resource Centers as managers or to County regional offices as resource personnel
- Assign “youth advocates” or “youth coaches” to eligible youth with special needs
- Centralize and expand the program’s resource development capacity

Administration/Management:

- Develop a comprehensive training program for case management and program staff to inform them of policy and program changes
- Develop a set of desired outcomes for program youth
- Design an internet-based youth data/tracking system that includes basic demographic and case-related information on all eligible youth, tracks what ILP services they receive and documents the youth outcomes achieved
- Encourage longitudinal program evaluation efforts that would guide future planning, program implementation and resource allocation
- Strengthen the contracting process with non-County providers to ensure high quality proposals for needed services, proper provider selection and effective, efficient spending of contract funds. Prospective contractors must be given early and equal information regarding soon-to-be-issued Requests For Proposals and where possible, contracts should be issued for multiple years.
- Create a youth-oriented program website with current and comprehensive information regarding eligibility, services and resources
- Develop a detailed budget, prior to the start of each fiscal year, that reflects program priorities

Structure/Governance:

- Establish a new Emancipation Services operating structure within DCFS with responsibility for serving all eligible DCFS and Probation youth
- Maintain an ES/ILP program oversight group
- Assemble an Interim Team of experts, under the oversight of the CAO, to jump-start the transformation of the current ES/ILP program and organizational structure to the recommended one and quickly implement key changes and enhancements to enable eligible youth to receive--as soon as possible--the full array of services they need and are entitled to.

On a parallel track, in the spring of 2001, the Los Angeles County Economy and Efficiency (E&E) Commission initiated a review of the ES/ILP, funded by DCFS, the

Probation Department and a grant from the Productivity Investment Fund. After Dr. Watson's selection by the CAO as Interim Team Leader for the ES/ILP program, she was asked to assist the E&E Commission in completing their report on the program, ensuring that this additional review would add value to the ongoing, positive development of the ES/ILP program.

In February 2002, the Commission presented "A Review of Emancipation Services" to the Board of Supervisors. As a special part of that review, the Commission looked at the County's six major housing programs for pre-emancipated and emancipated foster youth and presented a snapshot of the current and planned housing resources for this population, as well as youth of similar ages and circumstances, in the County. They showed how these resources are distributed across the County's eight Service Planning Areas (SPAs) and compared this distribution with that of the population of youth in out-of-home care. Finally, they projected the transitional housing need over the next five years.

Based on their review, the E&E Commission recommended that:

1. The CAO, in coordination with impacted departments, include in the quarterly reports to the Board of Supervisors, the "total eligible" population of youth versus the "total served" population relative to the ES/ILP Program.
2. Emancipation services should be provided by line caseworkers in a decentralized fashion, rather than by a centralized, specialized service group.
3. Ensure that line caseworkers have appropriate training and information to provide emancipation services; to that end, develop a brochure for caseworkers, emancipating youth, and their caretakers that lists available resources and departmental or agency contacts.
4. Revise the organizational structure of the program to ensure that the functional needs of both service delivery and program administration are included.
5. The Board of Supervisors, with input from the team leader and the Interim Management Team established by the CAO, establish Department Head performance agreement objectives for each Department Head involved in the ES/ILP Program.
6. Improve the information systems infrastructure and data handling capabilities, enabling DCFS workers to obtain data on any client from any place in the County. To the extent possible, adopt a "standard model" approach, using a matrix design to document the services or benefits appropriate for each age grouping as the basis for developing customized TILPs.
7. The Chief Information Officer (CIO) assign a staff member to DCFS as a temporary departmental Co-CIO, tasked to assist DCFS in bringing department-wide IT infrastructure up to modern standards and to assist the ES group in designing appropriate support systems.
8. Double the amount of shelter, transitional and permanent housing for pre-emancipated and emancipated foster youth over the next three years to bring the total to at least 1,100 beds, approximately 50% of the anticipated need.

9. A continuum of housing resources be established for emancipated foster youth, runaway and homeless youth, and transition age young adults in each SPA, in relative proportion to the number of youth in out-of-home care in that SPA. This continuum would include shelters, scattered site apartments, apartment buildings, and congregate living facilities, with a range of supervision levels and associated support services.
10. An operational database of all available housing for pre-emancipated and emancipated youth be built that can instantaneously and continuously show what housing vacancies are available, where, and at what cost.
11. Full-time "apartment or housing locators" be hired to find, secure, and maintain safe apartments for emancipated foster youth in SPAs of high need.
12. Provide funds for foster parents, foster family agencies, and group homes to continue to house and provide services to youth who turn 18, for a reasonable transition period, until permanent housing can be obtained.
13. Ensure that Los Angeles County's total current allotment of Transitional Housing Program (THP) and THP Plus housing slots, ILP Room and Board Assistance funds, and HUD Section 8 vouchers are fully utilized.
14. Use some ILP (Chafee Act) revenue to supplement Section 8 vouchers to secure apartments/housing in higher rent SPAs and sub-SPA areas.
15. The Auditor-Controller (A-C), in coordination with the E&E Commission, review recommendations of the Commission and the actions taken by the County and report his findings to the Board within 6 to 12 months.

These E&E Commission recommendations complement those made by the CAO. Numbers 1, 2, 3, 4, 6, and the seven related to housing (8 through 14) were specifically included in the Emancipation Program Re-Design Work Plan.

III. FIRST STEPS:

In order to implement these recommendations, a governance structure was developed and put in place and a host of planning activities undertaken.

- Executed an Interim Operational Agreement in October 2001, signed by the Directors of all nine County departments involved in the Emancipation Program, that laid out their commitment to unifying and improving implementation of the program; the purpose of the Agreement; the problem to be addressed, the scope of work, fiscal process, and implementation schedule; and outlined individual and collective responsibilities.
- Assembled an Interim Team of six experts plus a Team Leader and Coordinator in February 2002, who guided the planning and design work for strengthening the various components of the Emancipation Program—program, housing, data/tracking, outcomes/evaluation, communications, and budget—and developing new planning/governance and service delivery structures.

- Established a 20-person, inter-agency, multi-sector Design Team (which included the Interim Team, key County departments, the Children’s Commission, emancipated foster youth, and community partners) that developed and implemented the overall Work Plan for strengthening/improving the Emancipation Program, made all major planning and policy decisions, oversaw and monitored program development, brokered solutions among stakeholders and shaped the evolving program and governance models.
- Established a Budget Committee, Governance Group and Implementation Team to develop and/or carry out major program reforms in specific areas.
- Converted the Emancipation Oversight Committee into a Community Advisory Group, for six months, to expand community partner input and ideas into the work of the Design Team.
- Met with the Directors and/or Chief Deputies of DCFS, Probation, Community and Senior Services, Community Development Commission, Mental Health, and the Presiding Judge of the Juvenile Court, as well as key community partners, to shape the program re-design and conduct transition planning.
- Held more than 50 outreach meetings with over 2,500 representatives of both formal and informal stakeholder groups, including transition-age foster youth, foster parent associations, Association of Community Human Service Agencies (ACHSA), kinship councils, mental health providers, vocational skills centers, hearing officers and court attorneys, Court Appointed Special Advocates (CASA) volunteers, ILP Coordinators, Community College Foundation staff, runaway and homeless youth coalitions, housing providers, etc., to provide program information and hear their suggestions for improvement.
- Held eight meetings with DCFS and Probation staff regarding the emerging program design and solicited their ideas for further developing the program.

In addition, the Design Team:

- Set a Vision for the Emancipation Program:

“A unified and comprehensive program that adequately prepares 14 to 21 year old youth—who are in or have been in foster care under the County’s dependency or probation systems—for successful adulthood”
- Defined the population of eligible program youth for Los Angeles County:

| | |
|-------|--|
| 8,700 | DCFS youth, ages 14-19, in foster care |
| 4,100 | Probation youth, ages 14-19, in foster care |
| 5,450 | Emancipated youth, ages 18-21 |
| 100 | Youth, aged 16 and older, with finalized adoptions |

2,000 KinGap youth (those living with relative guardians), aged 14 and older

An estimated 20,350 youth, ages 14 – 21, are eligible to receive Emancipation Services.

IV. ACCOMPLISHMENTS:

As a result of the governance structure and planning activities enumerated above and the extensive work by County staff and the program's community partners, all of the concerns and findings raised by the CAO and the E&E Commission have been addressed, with many of them fully resolved. Further, all of the key recommendations have been at least partially implemented, most of them fully.

As a result of these accomplishments, the Design Team was able to achieve some additional milestones:

- Increased the completion rate for TILPs, the essential document for connecting eligible youth to services, from 23% in 2001 to over 76 % currently
- Served 42% more youth in 2002 (7,011) than in 2001 (4,936)
- Fully spent the ILP Budget in Fiscal Years (FY) 2001-02 and 2002-03 according to the program priorities established
- Established an effective "partnership culture" among Emancipation Program public agencies, community organizations, youth and their caretakers for program planning, generating new ideas and resolving issues

Listed below are the specific achievements made in each of the Emancipation Program areas of focus.

A. PROGRAM:

Housing:

- Adopted a "Housing First" philosophy for former foster youth and earmarked, in the Emancipation Program budget, the full 30% allowable for housing under the Foster Care Independence Act/John H. Chafee Program. For the first time since this federal legislation was passed in 1999, fully spent these budgeted housing funds in FY 2002-03.
- Solicited and secured 152 additional community-based beds, across all eight SPAs, for high need emancipated foster youth, through a partnership with the Community Development Commission (CDC) and the Los Angeles Homeless Services Authority (LAHSA)—140 transitional housing beds and 12 emergency shelter beds. Targeted populations included youth with mental health issues, youth with substance abuse issues and gay/lesbian/bisexual/transgender youth.

Two contracts were also negotiated for housing/apartment locator services to identify and secure suitable, affordable rental housing for emancipating youth. \$1,340,000 of funding was allocated for FY 2002-03 and \$2.5 million for each of the following two fiscal years.

- Secured, through DMH, 55 additional HUD “Shelter Plus Care” Program vouchers for housing for homeless emancipated foster youth with mental health disabilities. This program provides permanent, service-enriched housing for five years and is continually renewable at the end of each funding period.
- Completed, in collaboration with CDC and nonprofit housing providers, the development of two new transitional housing complexes for youth with serious mental health problems. Athena, an 18-bed program in the San Gabriel Valley (SPA 3), opened its first unit in December 2002. Step Out, a 20-bed program in the unincorporated Willowbrook area of Los Angeles (SPA 6), opened in May 2003. Both are providing affordable rental housing, along with enhanced mental health and life skills services.
- Created--in partnership with County Departments, housing developers, service providers and city officials--a protocol for community outreach for the location of transitional housing for special needs youth. Successfully implemented the protocol in the cities of San Gabriel and Alhambra and developed interim certification standards for these housing programs.
- Doubled the amount of ILP Rental Assistance funds given to emancipated youth.
- Strengthened the operation of the HUD-funded Bridges to Independence—Transitional Housing Program, a collaboration among DCFS, CDC and United Friends of the Children (UFC), by:
 - assigning a new manager to the Bridges THP program
 - filling DCFS Bridges Program staff vacancies
 - expanding the program selection criteria
 - adding Probation youth to those eligible for the program
 - enabling program intakes to be conducted in regional offices in addition to the Emancipation Program Central Housing Unit
 - assigning the administration of HUD Grant #3 to UFC and obtaining extensions on three other contracts that were about to expire
 - adding four new beds through the Housing Authority of the County of Los Angeles’ (HACOLA) Carmelitos housing development and another eight, so far, in SPA 6 through a UFC-funded housing locator contract
 - increasing youth placements by 14%
- Provided funds, for the first time, to foster parents, foster family agencies and group homes to continue to house and provide services to youth who turn 18, for a six-month transition period, until permanent housing is obtained.

- Applied for \$721,000 of the State's \$1.2 million of AB 427/1119 transitional housing monies to expand resources for Los Angeles youth. Notification of county awards should be received this summer.
- Established and nurtured the Housing Roundtable, a group of existing and prospective housing providers for emancipated youth, that has grown to over 100 members. Roundtable meetings link current providers to critical program and funding information and to future potential partnerships, while encouraging prospective providers to establish new housing programs.
- Created an inventory of existing beds for emancipating foster youth in the County, across all major programs. This is an important first step in the development of a comprehensive housing database that can instantaneously and continually show what housing vacancies exist, in what Los Angeles communities, and for what categories of youth.
- Developed a comprehensive, three-year "Plan for Meeting the Housing Needs of Emancipating and Emancipated Foster Youth in Los Angeles County: 2002-2005." This Plan estimates the number of young adults in need of housing upon emancipation, where they are located by SPA, and what their characteristics are. It then outlines the need for various types of housing for these youth, including emergency shelter, short-term service-enriched housing programs (i.e., transitional housing) and permanent housing, pointing out the importance of consistent staff support for these youth and centralized coordination for this housing "system." Finally, a detailed strategy for addressing this array of housing needs is proposed.
- Created a Housing Specialist Position in CDC, to be outstationed at the Emancipation Program's DCFS office, to coordinate and link all Emancipation Program housing programs and develop significant, additional housing resources for eligible program youth. The first and second rounds of interviews of candidates for this position have been completed, with a selection expected by the end of June.
- Organized a first-ever Foster Youth Housing Expo for social workers, probation officers, foster parents, group home providers, attorneys, prospective housing providers and emancipated youth, to inform as many people as possible about what resources exist and to connect those who offer services with those who need them. The Expo will be held on August 14 at the Radisson Wilshire Plaza Hotel.

Employment:

- Transferred responsibility for developing and monitoring the ILP Vocational Skills Center contract from DCFS to CSS.

- Developed a new Skills Center Request For Proposal (RFP), released in June 2003, that should double the number of youth served; requires providers to have job-related expertise; lays out specific performance measures for contractors; organizes services by four key domains tied to self-sufficiency outcomes; and connects the Skills Centers to Workforce Investment Act (WIA) One-Stop Centers, so that youth may receive a continuum of employment services for up to six additional years. This RFP ensures that Skills Centers are located in each SPA, in those communities with the greatest numbers of youth in out-of-home care.
- Collaborated with the Executive Office to help structure and promote their "Foster and Emancipated Youth Summer Program," which capitalized on the Board of Supervisors' motion that waived the hiring freeze for summer jobs for student workers and exempted current and former foster youth from the freeze.
- Provided recruitment and support for the 2003 Youth Job Fairs sponsored by Supervisors Antonovich and Burke.
- Assisted 1,787 youth to obtain jobs during Federal FY 2002, in partnership with both community-based and County-sponsored employment programs. These included, for example, the L.A. Archdiocese Youth Employment Program, Welfare to Work Partners' Fast Track-LA and the County Internal Services Department.

Mentoring:

- Resurrected the "Bridges to the Future" Mentorship Program, through a new partnership of the Los Angeles County Bar Association with DCFS and Probation. This program provides adult support for youth, ages 17 to 19, who are transitioning out of the foster care system. To date, through multiple recruitment efforts, 40 mentors have been successfully matched with youth, with another 40 adults scheduled for training. Outreach to attract other Bar affiliates to the Bridges program is being conducted. A full time Mentor Coordinator position has been created to supervise and further develop this program.
- Linkages have been established with the Mentoring Partnership for L.A.'s Youth (MPLAY)--an organization of 39 agencies exclusively serving foster youth, the Campus Peer Mentoring Program at Mt. San Antonio College and Los Angeles City College and other appropriate mentorship programs. 1,388 DCFS and Probation foster youth have been connected with mentors through these partnership efforts, which provide long term connections, job shadowing, academic support and guidance.
- Created a Resource Guide of Mentoring Programs to assist in pairing Los Angeles youth with appropriate mentoring resources and activities.

- Developed a comprehensive Training Manual, in partnership with MPLAY, DCFS and Children's Institute International, for trainers of foster youth mentors.
- Developed a Business Plan to implement the Emancipation Program's goal of connecting every emancipating youth to a mentor or caring and responsible adult. Included are program development ideas, recruitment and marketing strategies, community partnership-building suggestions and ways to ensure the formation of quality relationships between youth and trained, carefully-matched adults.

Transition Resource Centers:

- Defined the components of Transition Resource Centers (TRCs), including core services, desired service enhancements and linkages, on-site staffing, outreach strategies and design options, and established criteria for their location in high need communities across the county.
- Opened two additional TRCs, one at Mt. San Antonio College and one at the Whittier Community Resource Center and re-located the Alumni Resource Center from Culver City to Wilshire/Normandie. Three more Centers should be operational by the end of this summer (in Long Beach, Santa Clarita and the Antelope Valley), and two additional Centers are in the planning stages (in South Los Angeles and West LA). A Request for Information was developed and distributed to nonprofit agencies in March 2003 to secure some no-cost sites in non-County facilities, thereby broadening the mix. Ultimately, there will be two Centers in each SPA, in communities with high numbers of emancipated foster youth. The Centers will be situated in as many different kinds of locations as possible, giving youth a wide variety of access choices and providing information on which models or configurations are most successful. All will operate at minimal cost to the County.

Foster Youth Ombudsman:

- Created a full-time Emancipation Ombudsman position for the Program, which reports to the A-C.
- Hired the County's first Emancipation Ombudsman in September 2002. A recent college graduate who spent 16 years in the County's foster care system, she is an active member of the California Youth Connection (CYC) and is a strong youth advocate.
- 75 cases, including both DCFS and Probation youth, have been handled by the Ombudsman to date.

B. RE-DESIGNED SERVICE DELIVERY SYSTEM:

Transitional Independent Living Plans (TILPs):

- Clarified that the case management role for program youth, including the development of TILPs and the securing of all associated services, lies with the case-carrying Child Social Workers (CWSs)/Deputy Probation Officers (DPOs).
- Clarified that the ILP Coordinators have either a resource role with respect to the case-carrying workers, assisting them to identify and access appropriate services for their caseload youth or, alternately, are TRC Coordinators.
- Eliminated the Assessment/Referral of Youth Form 414 that, formerly, CSWs/DPOs used to refer youth to ILP Coordinators for services and monitoring.
- Established that the TILP is the "ticket" to emancipation services for youth and is a key step towards permanency planning.
- Created a new, consolidated TILP tool that combines the original TILP with elements of the Emancipation Checklist (Form 5200) and the Emancipation Contract (Form 5205-B). The Checklist was eliminated and the considerably-shortened Contract is now used as a tool for youth to establish their individual program goals. The expanded TILP is jointly developed by the caseworker, caregiver and youth, based on Contract goals.
- Established a monitoring process to track the completion rate of TILPs for each regional office on a monthly basis.

Training:

- Developed three TILP training videos, as well as a comprehensive training manual with examples of model TILPs and a detailed description of the planning process.
- Completed a first round of training on the TILP for DCFS and Probation staff. 36 sessions have been provided for DCFS staff, involving 596 social workers, 83 supervisors and 98 managers. Four sessions have been provided for 89 Probation Department Placement DPOs from eight area offices, as well as those assigned to various placement facilities. This training roll-out will continue throughout 2003 in order to cover all regional/area offices multiple times and maximize staff attendance.
- Held two conferences ("Teamwork Towards Transition...Getting Ready 4 Real Life") on the TILP planning process, one in November 2002 in Torrance (SPA 6/8) and one in April 2003 in Pomona (SPA 3). These conferences attracted 600 participants and brought together--for the very first time--youth, their

caregivers and case managers. Other conferences are now being planned in each of the County's remaining SPAs.

- Held a three-day comprehensive training program on the new model for all Emancipation Program staff (April 2003). The curriculum included introducing staff to some of the Program's community partners and presented the value and necessity of community team-building to the Program.
- Held an all-day Leadership Organizational Group (LOG) Conference on the Emancipation Program for regional managers (May 2003), in order to reinforce emancipation planning concepts as they relate to the completion of TILPs.

Decentralized and Integrated Service Delivery Model:

- Created a Service Delivery Model that centralizes management activities, decentralizes service delivery, and integrates program operations at both levels.

Under this Model:

Four service HUBS will be established, two in the North Bureau and two in the South Bureau, each covering 2 SPAs. Each HUB will provide support to the DCFS and Probation offices and the TRCs located in those SPAs. All program components will be located at each HUB--housing referrals, employment resources, mentoring connections, educational services, life skills class referrals, resource development, check writing and voucher issuance. HUB staffing assignments have been made and, as regional office space is secured, each HUB will be transferred to their identified site.

A network of 16 Transitional Resource Centers, two in each SPA and four per HUB, will provide immediate, convenient and more effective access to services for both pre-emancipated and emancipated foster youth and enable them to connect to the resources they need, on a drop-in basis, in their own communities. As stated previously, four TRCs are currently operational with three more expected by the end of the summer and two others in the planning stages.

"Program Central," located at the DCFS Wilshire/Normandie office, will serve as the management and centralized resource development arm for the Emancipation Program. Along with management and administrative staff, it will house Program Specialists for each key area (e.g., Housing, Employment, Life Skills, Education, Training, Mentoring, Communications, Resource Development). Program Central staff will be responsible for continued program and policy development, overseeing and supporting HUB and TRC operations, orchestrating program communications, keeping the website current, creating program materials, planning special events and acquiring additional program funding and resources. Several Program Specialists have been assigned and have begun to assume their new duties; the rest will do so by the fall.

- Consolidated Emancipation Program staff at the Wilshire/Normandie office in December 2002, including all Probation Department Emancipation Program staff, to plan and prepare for the Emancipation Program Re-Design.
- Developed job descriptions for all new positions and identified staff for most of the positions required by the program re-design.

C. ADMINISTRATION:

Communications:

- Created a comprehensive, youth-oriented Emancipation Program Website--with the assistance of the CIO--with current information about all program components and services available to transitioning youth in the County (e.g., eligibility criteria, housing, employment, education, life skills training, counseling, health insurance), TRCs, emergency services, upcoming events, community resources and links to other related websites. Website information is also available to social workers, probation officers, attorneys, hearing officers, care providers, CASA volunteers, and others working with youth. All information is available in English and Spanish, with content summaries in six additional threshold languages—Armenian, Cambodian, Cantonese, Korean, Mandarin and Vietnamese. The Website address is : www.ilponline.org
- Prepared a wide variety of program materials, most in both English and Spanish, including a Resource Directory, various Fact Sheets, TILP and Mentoring brochures, a rental assistance flyer, a website poster, TRC and website press releases, bulletins on services, service delivery re-design powerpoint presentations, etc.
- Developed a Communications/Outreach Plan for the Emancipation Program to increase knowledge of the program and how to access services.
- Presented overviews of the Emancipation Program Re-Design at several Los Angeles County conferences, including the 8th Annual "A New Beginning for Partnerships for Children and Families in Los Angeles County" in November 2002--co-hosted by the Los Angeles County Superior Court and California State University, Los Angeles--and at the California Foster Youth Services Training Conference held in April 2003; to the E&E Commission and the Commission for Children and Families; to the Dependency Court Judges; and to the Los Angeles County Grand Jury.

Youth Data/Tracking System:

- Clarified what groups of youth are eligible for which ILP services, defined the key barriers to tracking all categories of eligible youth, and identified the client- and service-level data currently collected by DCFS and Probation.

- Designed a comprehensive program data system that includes basic demographic and case information on all eligible youth, tracks who gets what services to ensure an equitable and fair distribution of program resources, is outcome-based and generates all needed management, program and youth reports.
- Developed the System Statement of Work, in partnership with the Service Integration Branch, that specifies the eligible youth, the functional requirements for all user groups, the technical and software architecture, system interfaces, database requirements, application functions, and all data elements.
- Developed a Youth Self-Report for emancipated youth that can either be completed at a TRC or via the website. The survey will measure well-being in the County's five outcome areas, gather self-report data, provide information about youth attitudes towards the Emancipation Program, as well as their recommendations for improving the Program.
- Completed the Phase 1 system screen design in June 2003, with an expected date for full implementation in the fall.

Budget:

- Completed Budget/Spending Plans for 2002-2003 and 2003-2004 well in advance of the start of those fiscal years.
- Prioritized and developed a categorical Annual Budget/Spending Plan that includes four major program areas: Housing, Employment, Education and Life Skills.
- Re-categorized the majority of ILP Budget line items, re-assigned code numbers and then clearly defined all line items, to ensure accurate recording, tracking and processing.
- Began monthly and year-to-date accounting of ILP funds and added estimated-actual and balance-remaining columns to the ILP Spending Plan, beginning with FY 2001-02, to guide current spending and enable re-allocation of funds as the year unfolds.
- Prioritized the Annual Budget/Spending Plan among three age groups: Prevention (14-15), Intervention (16-18) and Transitional Support (18-21), with 10 % of funds earmarked for Prevention, 25% for Intervention and 65% for Transitional Support.
- Developed policies and a set of procedures for ILP staff to access funds, for each budget line item, for program youth.

- Provided two training sessions for DCFS and Probation managers and ILP staff on how to properly receive and disburse gift certificates, vouchers and other negotiable items for program youth. This training was conducted by DCFS Finance staff, using an A-C-approved curriculum.
- Developed a comprehensive list of all major funding sources, public and private, that could potentially be utilized to more fully meet the needs of program youth by enhancing the existing emancipation budget. The ultimate goal is to leverage and maximize available funding sources in support of the County's revenue maximization plan.
- Applied and assisted other organizations in applying for private monies to supplement existing ILP federal and State grants.

Contracts:

- Developed a first-ever Housing RFP for emergency shelter care, transitional housing and housing/apartment locator assistance, in partnership with CDC and LAHSA, that produced 152 new beds across the County.
- Developed an RFP, in partnership with CSS, for a set of vocational skills centers that will connect with WIA employment programs. The resulting contracts will replace the current ones which expire in September, after several emergency extensions over the years. The new contracts will be both performance and outcome-based and tied to self-sufficiency goals.

Check Writing:

- Requested a study by the A-C of current ILP check writing processes, along with recommendations for significant streamlining. Several areas of concern were identified by the A-C and subsequently corrected by DCFS. The timeline between a request for funds and their receipt has been shortened from an average of six months to four weeks.
- Submitted a request to the A-C to add a check writing capacity to each emancipation services HUB, in order to further reduce the time between request and payment, eliminate backlogs and facilitate the issuance of emergency funds.

D. PLANNING AND GOVERNANCE:

- Developed a Governance Plan for the Emancipation Program which proposes the following:
 - Consolidate the Design Team and the Emancipation Oversight Committee into the Emancipation Program Partnership, which would meet monthly. This Partnership will ensure that the Emancipation Program gains made over the last

two years are not only maintained but expanded; shape emerging program components; review program progress and the results achieved and compare them with the desired outcomes; and oversee program evaluation efforts.

- Establish a Community Council for each of the four Emancipation Program HUBs, comprised of public and private agency representatives, local businesses, faith-based organizations, schools, youth, their caregivers, and other community members. These Councils will enable strong community partner linkages, program expansion/enrichment, service delivery continuity/seamlessness and targeted resource development. Councils will be represented on the Emancipation Program Partnership and will also link, programmatically, with the two Service Planning Area (SPA) Councils in each HUB.

- Organize and convene quarterly Emancipation Program Community Forums, open to all, for information sharing and program input.

V. NEXT STEPS:

- Develop a new, permanent Operational Agreement among the nine County departments/agencies involved with the Emancipation Program—CAO, DCFS, Probation, CDC, CSS, DMH, PSS, DHS, and Consumer Affairs.
- Establish and convene the Emancipation Program Partnership, the four HUB Community Councils, the quarterly Community Forums, and any associated work groups or committees.
- Explore the usefulness of these various groups as the next year unfolds. If determined to be advantageous to the Emancipation Program's planning and oversight structure, ensure that their composition, functions and positioning enable them to optimally plan, shape, embellish, monitor and evaluate the operation of the Emancipation Program.
- Complete, during FY 2003-04, the implementation of the Emancipation Program Re-Design, including:
 - switching the roles of caseworker (CSW and DPO) and ILP Coordinator staff from the current model to the new one
 - establishing the four HUBs in selected regional offices
 - adding a check writing capacity at HUBs
 - fully utilizing all emergency shelter and transitional housing program beds contracted through CDC/LAHS
 - establishing the newly contracted Job Readiness/Employment Skills Centers under the CSS RFP
 - expanding the TRC network to additional SPAs
 - launching the newly designed youth data tracking system

- ensuring that TILPs are completed for all eligible youth, are meaningful, and are jointly developed with youth and their caregivers
 - expanding the mentoring programs, especially for emancipated youth
 - ensuring that ILP resources are distributed according to need.
- Launch an aggressive marketing and resource development effort for the Emancipation Program.
 - Link the Emancipation Program more clearly to efforts to improve and speed up permanency for foster youth.
 - Ensure that an evaluation of the Emancipation Program is conducted in order to measure, on an on-going basis, the achievement of desired youth outcomes and to determine what program elements are most effective in assisting youth to achieve self-sufficiency.

VI. CONCLUSION:

Clearly, much has been done to create an Emancipation Program that all can be proud of. There is now a vision for the program, which has been embraced by all key stakeholders. Committed leadership has been secured and continuous, coordinated and pro-active planning has become the norm. New governance and service delivery structures have been adopted and dozens of program and administrative improvements have been made. The two County departments with jurisdiction over program youth are now strongly connected with respect to planning and service delivery activities and have co-located all program staff to further integrate these functions. All know who is eligible for the program, what services are available to assist youth, and how to access those services. We now have a unified Emancipation Program that ties together services and supports in more meaningful and efficient ways and one that implements the key strategies for preparing foster youth for successful adulthood that are delineated in the State Child Welfare Services Redesign. And, most importantly, thousands more youth are being assisted in their transition to self-sufficiency.

What made these achievements possible were:

- The importance of the Emancipation Program to the Los Angeles County Board of Supervisors and their many actions to ensure its success
- The Interim Agreement that bound the nine affected county departments together in strengthening the Program and the departmental commitment to that Agreement
- The consistent and effective oversight and advocacy provided by the Los Angeles County Commission for Children and Families

- The widespread commitment to youth emancipating from out-of-home care, from former foster youth, county department staff, community partners, service providers, advocates and fund agents
- And, most importantly, the powerful partnership culture which was developed through 18 months of working intensively together towards a shared goal

Still, much remains to be done. Implementation of the Emancipation Program Re-Design is well on its way, but considerable additional work is required for it to function optimally.

Foster youth emancipation is an issue of deep concern to the Los Angeles County Board of Supervisors, several County commissions, a dozen County departments, scores of nonprofit agencies and local businesses, community organizations, foster youth caregivers, and state and federal agencies. We must continue to track the shared efforts and collective contributions of all, as all are essential to realizing our vision.

KH:kd